(b) if so, whether he has also written to Ministries and Departments for integrated Governmental effort to mitigate the adverse impact of drought; and

(c) if so, to what extent the Ministries/ Departments have accepted the move?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (PROF. K.V. THOMAS): (a) to (c) In the wake of drought and drought like conditions in some parts of the country, various Ministries/ Departments of the Government were addressed to assist in reducing the adverse affects of drought / deficit rainfall to the minimum possible. Ministries/Departments, which are imposing Cess/Tax had been, *inter-alia,* requested to take a re-look at such taxes which have a bearing on people affected by drought.

Integrated efforts have been made to mitigate the impact of drought with active involvement of all concerned Ministries/ Departments. Mainly these include, provision of additional allocation of power by Ministry of Power from the Central Pool to the States of Punjab, Haryana, U.P., Bihar, Assam and Andhra Pradesh to enable completion of agricultural operations in the fields; supply of adequate fertilizers by Department of Fertilizers in the areas receiving adequate rainfall; transportation of fodder and drinking water to the States in case of need at no cost basis to the affected States by Ministry of Railways; release of the central share of Calamity Relief Fund to the affected States as well as release of assistance under National Calamity Contingency Fund by Ministry of Home Affairs, Ministry of Finance and Department of Agriculture & Cooperation; broadcasting/telecasting of requisite advisories to the farmers by Ministry of Information & Broadcasting; steps to enhance water sources in the urban and rural areas by Ministry of Urban Development and Ministry of Water Resources; provision of alternative employment under National Rural Employment Guarantee Scheme by Department of Rural Development; introduction of a Diesel Subsidy Scheme to enable farmers to provide supplementary protective irrigation to the standing crops and relaxation in the matter of age for seed varieties etc. by Department of Agriculture and Cooperation; ensuring of adequate quantity of fodder for the animals by Department of Animal Husbandry, Dairying and Fisheries; additional *ad hoc* monthly allocation of foodgrains to the drought affected States by Ministry of Food and Public Distribution; assistance from Ministry of Earth Science by way of inputs in respect of rainfall status to enable monitoring of the drought situation from time to time; ensuring of availability of petroleum products by Ministry of Petroleum and Natural Gas; monitoring of diseases and taking preventive measures, in case of need, by Ministry of Health and Family Welfare etc.

Low interest loan to drought hit farmers

3245. DR. T. SUBBARAMI REDDY:

SHRIMATI JAYANTHI NATARAJAN:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government has discussed a proposal to provide interest subsidy to farmers hit by drought;

(b) whether the move will ensure that affected farmers get short-term crop loans at 7 per cent with a provision to make it even more attractive at 6 per cent to those with a healthy track record;

(c) if so, whether public sector banks also lend to farmers at low interest rates through NABARD Regional Rural Banks, etc.;

(d) whether Government has also considered allocation of Rs. 1.473 crores as non-plan grant to meet the losses; and

(e) if so, to what extent these proposals have been accepted and the steps being taken to implement them?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (PROF. K.V. THOMAS): (a) to (e) There is no proposal to provide any separate interest subsidy to farmers hit by drought. However, Public Sector Banks (PSBs), Cooperative Banks and Regional Rural Banks (RRBs) are already providing short-term crop loans upto a principal amount of Rs.3 lakh to the farmers at 7% rate of interest. This rate is applicable for all farmers including those hit by drought.

Further, during the year 2009-10 an additional interest subvention @ 1% would be given to those prompt paying farmers who repay their short term crop loan within the period of interest subvention *i.e.* within one year of disbursement of such loans. Hence, the prompt paying farmers would get short term crop loans upto a principal amount of Rs.3 lakh @ 6% per annum during the year 2009-10.

Government is providing interest subvention of 2% per annum to Public Sector Banks (PSBs), Cooperative Banks and Regional Rural Banks (RRBs) on their own funds used for providing short term crop loans upto a principal amount of Rs. 3 lakh per farmer @ 7% per annum. As per the interest subvention scheme, banks are reimbursed the eligible amount of interest subvention. Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD) are getting claims from PSBs, RRBs and Cooperative Banks on regular basis which is being reimbursed by them. Government releases necessary funds to RBI/NABARD so that the claims received from lending institutions may be reimbursed by them in time. The Government has approved the interest subvention scheme for the year 2009-10 with estimated cost of Rs.4,000.00 crore.

National Policy for farmers

3246. SHRI ISHWAR SINGH:

SHRI MAHENDRA MOHAN:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government had announced National Policy for farmers in 2007;

(b) if so, the present status of the policy;

(c) whether any time-frame has been fixed for proper implementation of the policy; and